



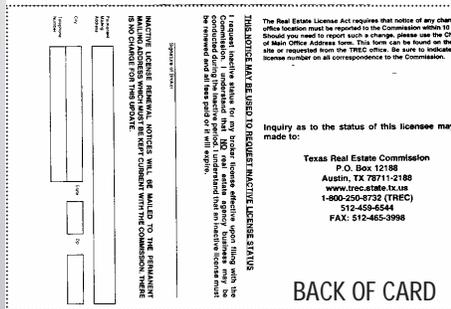
TREC Advisor

Texas Real Estate Commission ★ Volume 15, Number 5 ★ November 2004

New Format for TREC Licenses



FRONT OF CARD



BACK OF CARD

A recent change in the appearance of TREC licenses has left some brokers with questions about who must "maintain" licenses. In 2003, The Real Estate License Act (TRELA) was amended to remove the requirement that licenses of salespersons and brokers must be prominently displayed at the broker's place of business unless the salesperson or broker is a residential rental locator. TREC redesigned the salesperson and broker license to resemble a voter registration card which allows a licensee to carry it in a wallet or card case for easy identification as a TREC licensee. TREC no longer provides a license certificate for display.

TRELA also requires brokers to maintain custody and control of sponsored salespersons licenses. Given this requirement, questions have been raised as to whether the broker should hold all licenses or whether it is acceptable for a salesperson to carry the license for identification purposes. Brokers may comply with both provisions by maintaining a photo copy of the sponsored salespersons' licenses in their records. Should the broker wish to terminate sponsorship of a salesperson, the broker can send the photo copy to TREC in lieu of sending the original license.

Real Estate Center Schedules Instructor Training for Required MCE Courses

There are three steps to becoming certified to teach the new MCE required update and/or ethics course.

- Be previously approved as a TREC instructor or apply to become approved by filing a MCE Instructor Application form with the \$25 fee.
- Attend a train-the-trainer workshop given by the Real Estate Center. To register visit <http://recenter.tamu.edu/register>.
- Receive a certification letter from TREC upon successful completion of the train-the-trainer workshop.

The Real Estate Center has two remaining (open) workshops.

November 15-16, 2004
Houston Community College
West Loop Center
5601 West Loop South
Houston, TX 77081

December 2-3, 2004
San Antonio
Board of Realtors
9110 IH 10-West
San Antonio, TX

★ Inside this issue... ★

Meeting Highlights	2
TREC Administrator Elected President of ARELLO	3
Disciplinary Actions	4
New MCE Q&A	7
Enforcement Q&A	8

See the TREC website www.trec.state.tx.us or the Real Estate Center web site www.recenter.tamu.edu for more information.

THE MISSION of the Texas Real Estate Commission is to assist and protect consumers of real estate services and foster economic growth in Texas. Through its programs of education, licensing and industry regulation, the Commission ensures the availability of capable and honest real estate service providers.

TEXAS REAL ESTATE COMMISSION



Meeting Highlights

October 18, 2004

The Texas Real Estate Commission held its regularly scheduled meeting at the TREC headquarters in Austin, Texas on Monday, October 18, 2004. Chairman John Walton presided.

During staff reports, Linda Bayless, Director of Enforcement, introduced two new employees, Brett Blair, staff attorney, and John Barajas, investigator.

The Chairman announced that Wayne Thorburn, TREC Administrator had been installed as President of the Association of Real Estate License Law Officials (ARELLO) in Pittsburgh, PA on October 3, 2004. ARELLO is an international organization.

Mr. Thorburn announced that seven employees would be receiving service awards on October 19, 2004: Laura Chandler for 5 years; Barbara Kolb for ten years; Bill Titter for fifteen years; Debbie Orosco, Angelique Gladney and Laura George for twenty years and Susan Steger for twenty-five years.

After meeting in an executive session, the Commission agreed to pay three payments from the recovery fund: two for \$50,000 each and one for \$4,000.

The Commission adopted the rule amendments to 22 TAC §§535.62 & .64 concerning education, experience, educational programs, time periods and types of license, which conform the provisions to the new rules concerning mandatory continuing education.

The Commission approved the MCE required legal and ethics courses prepared by the Real Estate Center Texas at A&M University.

The Commission approved the annual internal audit report and the annual review of fees and estimated revenues.

The Commission denied a request to appeal the disapproval of a license in the matter of Shanteri Twanette Thomas and also, denied the request for a rehearing in the matter of Christopher Anthony Marache.

The next meetings of the Commission will be December 6, 2004, February 21, 2005 and April 18, 2005.

Official publication of the
Texas Real Estate Commission
Volume 15, Number 5
November 2004

Rick Perry
Governor

Commission Members:

John Walton
Chairman
LUBBOCK

Louise Hull
Vice-Chair
VICTORIA

James N. Austin
Secretary
FORT WORTH

Mary Frances Burselson
AUBREY

Ramon "Mick" Cantu
HOUSTON

William H. Flores
SUGAR LAND

Lawrence D. Joki
BROWNSVILLE

Paul H. Jordan
GEORGETOWN

Elizabeth Leal
EL PASO

TREC Administrator
Wayne Thorburn

Desktop Publishing
Patricia Holder

Your License is Just a Click Away

In August of 2000, the Texas Real Estate Commission became the first state agency to provide online license renewals. In the last four years the Commission has worked continuously to improve its web site and the services that are offered there.

It is now possible to file and pay for the following licenses online:

- **BROKER**
Original Application, Timely Renewal or Late Renewal for an Individual
Original Application or Timely Renewal for a Corporation
Timely Renewal for a Limited Liability Company
- **SALESPERSON**
Original Application or Timely Renewal of a Two Year License
- **INSPECTOR**
Timely Renewals of Professional, Real Estate and Apprentice Inspector Licenses
- **EASEMENT OR RIGHT-OF-WAY**
Timely Renewals of Business and Individual ERW Licenses



Go to the TREC web site www.trec.state.tx.us and make your next renewal online.

The TREC Advisor (ISSN 1047-4579) is published by the Texas Real Estate Commission (TREC) as an educational service to licensees in the state of Texas. The purpose of the newsletter is to promote a better understanding of the Real Estate License Act and to inform all licensees of changes affecting laws and practices in the real estate industry. The TREC Advisor is funded through legislative appropriations and subscriptions collected from TREC licensees. The official text of TREC rules is filed with the Office of the Secretary of State, Texas Register, TREC encourages reproduction of this newsletter with the appropriate acknowledgments. Subscriptions are available for \$4.00 for two years. Single issues are \$1.00. To order a subscription or a single issue write to TREC Advisor, Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188. For information regarding TREC, contact:

Texas Real Estate Commission
P.O. Box 12188
Austin, Texas 78711-2188
(512) 459-6544 or (800) 250-TREC
<http://www.trec.state.tx.us>

TREC ADMINISTRATOR ELECTED ARELLO PRESIDENT

At its meeting in Pittsburgh, Pennsylvania on October 2-5, the international Association of Real Estate License Law Officials (ARELLO) elected TREC Administrator Wayne Thorburn as its President for 2004-2005. The organization brings together real estate commissioners and staff from 77 jurisdictions, including most American and Australian states and Canadian provinces as well as regulatory agencies from Armenia, Bahamas, Bermuda, Guam, Hong Kong, New Zealand, Puerto Rico and South Africa. Associate members include organizations of real estate professionals in a number of other jurisdictions where licensing is not required currently.

In addition to his responsibilities as Administrator of TREC, Thorburn is also Commissioner of the Texas Appraiser Licensing and Certification Board. His position as President of ARELLO will require him to represent the organization at various conferences and meetings related to real estate licensing and regulation. He is the first Texan to serve in this capacity in over thirty years. TREC Administrator Andy James served as President in 1971 when the organization was known as the National Association of Real Estate License Law Officials (NARELLO). Thorburn had been President-Elect of ARELLO for the past twelve months and will continue as President until the organization's next annual conference in Toronto, Ontario, Canada in October 2005.



Wayne Thorburn, TREC Administrator, is new President of the international Association of Real Estate License Law Officials. He is the first Texan to hold this position in over thirty years.



TREC Commissioner Larry Jokl presents gavel from the Texas Senate to Wayne Thorburn at ARELLO annual conference in Pittsburgh, PA.

INSPECTOR COMMITTEE APPOINTMENTS TO BE MADE IN FEBRUARY

At its meeting on February 21, 2005, the Texas Real Estate Commission will be selecting three individuals to serve on the Texas Real Estate Inspector Committee. As provided in the Real Estate License Act, *"A member of the committee must have been primarily engaged in the practice of real estate inspecting for at least five years before the member's appointment and must be actively engaged in that practice as a professional inspector at the time of the member's appointment."*

Terms of appointment are for six years and there is no prohibition on the reappointment of individuals to the committee.

Individuals wishing to be considered for appointment to the Texas Real Estate Inspector Committee should submit a resume and letters of recommendation to Administrator Wayne Thorburn no later than January 15, 2005 and copies will be distributed to all Commission members.



Disciplinary Actions August-September 2004

Consumer Complaints

Calendar of Events

Commission Meetings:

December 6, 2004
(Austin)

February 21, 2005
(Austin)

April 18, 2005
(Austin)

Broker-Lawyer Committee Meetings:

January 13-14, 2005
(Austin)

Inspector Committee Meetings:

November 29, 2004
(Austin)

January 12, 2005
(Austin)

Web site:

<http://www.trec.state.tx.us>

Phone

(800) 250-TREC (8732)

or

(512) 459-6544

Meyer, Jerry Ray

(Lubbock); license #422105

Revocation of broker license, effective August 5, 2004; acting in the capacity of, engaging in the business of, or advertising or holding himself out as engaging in or conducting the business of a real estate broker within this state without the authority of a license issued by the Texas Real Estate Commission, in violation of §1(b) of The Real Estate License Act, Article 6573a, Texas Civil Statutes [§1101.351(a)(1) of the Texas Occupations Code, effective June 1, 2003]

Noah, Rita Lorraine

(Richardson); license #443384

Agreed 3 month suspension of salesperson license fully probated for 1 year, effective August 15, 2004; Agreed administrative penalty of \$500, entered August 11, 2004; as a buyer's agent she promised to pay the buyer money toward repairs to the property, the buyer closed relying on the promise and thereafter she refused to pay until a much later date, in violation of 22 TAC §§535.145 & 535.156(b) of the Rules of the Texas Real Estate Commission

Bowen, Joe Brad

(Brady); license #455528

Reprimand of broker license, entered August 20, 2004; offering property for sale on the Internet without the knowledge or consent of the owners or the owners' authorized agent, and at a price other than that authorized by the owners or the owners' authorized agent, in violation of §15(a)(6)(O) of the Real Estate License Act [§§1101.652(b)(19) and 1101.652(b)(20) of the Texas Occupations Code, effective June 1, 2003]; acting negligently or incompetently by failing to take care that he had authority to advertise real property for sale and that the sales price information contained in the advertisement was accurate, in violation of §15(a)(6)(W) of the Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]

Blair, Russell Alan

(Garland); license #323809

Revocation of broker license, effective August 24, 2004; engaged in a property management business and failed to properly account for monies belonging to others and commingled owner's funds, in three counts of violations of §§1101.652(b)(1), (2), (9), & (10) of the Texas Occupations Code and 22 TAC §535.146 of the Rules of the Texas Real Estate Commission; failed to provide within a reasonable time information or documents related to complaints filed with the Texas Real Estate Commission, in violation of §§1101.652(a)(5) & (6); and failed to submit to the Texas Real Estate Commission after he moved his business office an application for a license that designated the new location in violation of §1101.442(b) of the Texas Occupations Code

Valenta, D. Neal

(Dallas); license #2105

Revocation of professional inspector license, effective August 24, 2004; violated a term and condition of his probation by failing to pay an outstanding balance of interest due on a payment made on his behalf from the real estate inspector recovery fund

Allgood, Virgil Franklin

(Harker Heights); license #462037

Agreed 6 month suspension of salesperson license fully probated for 1 year, effective August 25, 2004; Agreed administrative penalty of \$750, entered August 24, 2004; failing within a reasonable time to properly account for or remit rents, deposits, and other money which came into his possession which belonged to others, and commingling money which belonged to others with his own funds, in violation of §15(a)(6)(E) of the Real Estate License Act [§§1101.652(b)(9) and (10) of the Texas Occupations Code, effective June 1, 2003]; failing to keep his principal informed at all times of significant information applicable to the transactions in which he was acting as an agent for the principal, in violation of 22 TAC §535.156(c) of the Rules of the Texas Real Estate Commission; establishing an association with an unlicensed person who was expected or required to act as a real estate licensee, in violation of §15(a)(6)(S) of the Real Estate License Act [§1101.652(b)(26) of the Texas Occupations Code, effective June 1, 2003]; and acting negligently or incompetently in preparing legal documents and performing other property management activities for a principal, in violation of §15(a)(6)(W) [now §1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003]

Porter, Debra Ann

(Houston); license #480916

Reprimand of salesperson license, entered September 7, 2004; guilty of negotiating or attempting to negotiate the sale, exchange, lease, or rental of real property with an owner, knowing that the owner had a written outstanding contract granting exclusive agency in connection with the transaction to another real estate broker, in violation of §15(a)(6)(N) of the Real Estate License Act [§1101.652(b)(22) of the Texas Occupations Code, effective June 1, 2003]

DeVoss, Richard Alan

(Fort Worth); license #298463

Agreed 3 month suspension of salesperson license fully probated for 6 months, effective September 15, 2004; Agreed administrative penalty of \$250, entered August 18, 2004; DeVoss as a salesperson maintained a bank account for property management and leasing services without his sponsoring broker's knowledge or authority; DeVoss failed to properly identify the account as a trust or escrow account; DeVoss negligently conducted property management services including not properly or fully filling-in lease documents and failing to promptly assist a party with contract procedures which resulted in a monetary dispute, in violation of §15(a)(6)(W) of the Real Estate License Act [§1101.652(b)(1) of the Texas Occupations Code, effective June 1, 2003] and 22 TAC §§535.146 & 535.159 of the Rules of the Texas Real Estate Commission

Administrative Complaints

Bousquet, Denise Santoy

(Houston); license #349295

Agreed reprimand of salesperson license, entered August 5, 2004; Agreed administrative penalty of \$250, entered August 5, 2004; failing within a reasonable time to provide information to the Commission in response to Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC §535.91(a) of the Rules of the Texas Real Estate Commission

Pyatte, Carol Leone

(Alvin); license #313010

Revocation of salesperson license, effective August 10, 2004; failing within a reasonable time to provide information to the Commission in response to Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC §535.91(a) of the Rules of the Texas Real Estate Commission

Kelly, Ophie M.

(Houston); license #441731

Revocation of salesperson license, effective August 11, 2004; failing within a reasonable time to provide information to the Commission in response to Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC §535.91(a) of the Rules of the Texas Real Estate Commission

Cathey, Felicia Lynn

(San Antonio); license #498433

Revocation of salesperson license, effective August 11, 2004; failing within a reasonable time to provide information to the Commission in response to Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC §535.91(a) of the Rules of the Texas Real Estate Commission

Eggert, Dana Ann

(Bedford); license #475803

Agreed reprimand of salesperson license, entered August 12, 2004; Agreed administrative penalty of \$250, entered August 12, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Austin, Glenn Patrick

(San Antonio); license #474603

Agreed reprimand of salesperson license, entered August 13, 2004; Agreed administrative penalty of \$250, entered August 13, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Shami, Irfan Mahmood

(Houston); license #434880

Reprimand of salesperson license, effective August 25, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Phillippi, Deborah Ann

(Midlothian); license #437202

Agreed reprimand of salesperson license, entered August 25, 2004; Agreed Administrative penalty of \$300, entered August 25, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Davis, Robert Bernard

(Flower Mound); license #240767 Agreed reprimand of salesperson license, entered August 26, 2004; Agreed administrative penalty of \$300, entered August 26, 2004; failing to pay the \$200 fee within the

60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Powers, Michael John

(Austin); license #408543

Agreed reprimand of broker license, entered August 31, 2004; Agreed administrative penalty of \$250, entered August 31, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Inchingolo, Michael Gerard

(Irving); license #487691

Revocation of salesperson license, effective August 31, 2004; failing within a reasonable time to provide information to the Commission in response to Commission's request for same in connection with an application for renewal of real estate salesperson license, in violation of 22 TAC §535.92(a) of the Rules of the Texas Real Estate Commission

Pickens, Sheryl Anne

(Dallas); license #290433

Agreed reprimand of broker license, entered September 1, 2004; Agreed administrative penalty of \$250, entered September 1, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Johnson, Jason Jerrod

(Dallas); license #503190

Revocation of salesperson license, effective September 9, 2004; procured a license for himself by making a material misstatement of fact in his application for a license, in 2 violations of §15(a)(2) of the Real Estate License Act [§1101.652(a)(2) of the Texas Occupations Code, effective June 1, 2003]

Nickel, Brett Stephens

(Southlake); license #360561

Agreed reprimand of salesperson license, entered September 10, 2004; Agreed administrative penalty of \$250, entered September 10, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Gibbons, Keith Christopher

(Houston); license #518046

Revocation of salesperson license, effective September 10, 2004; failing within a reasonable time to make good a check issued to the Commission and pay the processing fees, in violation of §1101.652(a)(4) of the Texas Occupations Code

Large, Adrienne Marie

(Duluth, Georgia); license #493656

Agreed reprimand of salesperson license, entered September 14, 2004; failing within a reasonable time to make good a check issued to the Commission and pay the processing fees, in violation of §1101.652(a)(4) of the Texas Occupations Code

Phillippi, Deborah Ann

(Midlothian); license #437202

Revocation of salesperson license, effective September 14, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Watson, Phillip Roy

(Irving); license #237420

Agreed reprimand of broker license, entered September 17, 2004; Agreed administrative penalty of \$250, entered September 17, 2004; failing to pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Noble, Addison Grant

(Spring); license #432529 Agreed reprimand of salesperson license, entered September 23, 2004; Agreed administrative penalty of \$250, entered September 23, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Garrett, Kelley Lee

(Houston); license #375137

Agreed reprimand of salesperson license, entered September 27, 2004; Agreed administrative penalty of \$250, entered September 27, 2004; failing to complete mandatory continuing education hours and pay the \$200 fee within the 60-day period provided by 22 TAC §535.92(f) of the Rules of the Texas Real Estate Commission

Frequently Asked Questions Regarding MCE Requirements as of January 1, 2005

Go to the TREC website (www.trec.state.tx.us) for more questions and answers.

I have an active two-year license that expires on April 30, 2005. I intend to complete all my Mandatory Continuing Education (MCE) requirements for renewal before January 1, 2005. Will I need to take the new legal update course and legal ethics course to renew my license on active status?

- No, not for your first renewal after the effective date. You will need to take the new legal courses anytime thereafter to renew your license on active status.

I was out of the business for a couple of years. I just filed a late renewal of my license and now I have an active one-year license that expires on October 31, 2005. Will I need to take the new legal update course and legal ethics course to renew my license on active status?

- No. You may, but are not required to, take the new legal courses for your first renewal after the effective date. You will need to take the new legal courses anytime thereafter to renew your license on active status.

I have an active two-year license that expires on April 30, 2005. I intend to complete some of my MCE requirements before January 1, 2005, but I will need to take an additional 6 hours to comply with the legal MCE requirements. Will I need to take the new legal update course and legal ethics course to renew my license on active status?

- No. You may, but are not required to, take the new legal courses for your first renewal after the effective date. You will need to take the new legal courses anytime thereafter to renew your license on active status.

I will get my first salesperson license that is not subject to Salesperson Annual Education (SAE) requirements in February 2005. When I renew in February 2006, will I need to take the new legal courses?

- Yes.

I currently have a one-year salesperson license. I completed my SAE and got my one-year license in October 2004. Will I need to take the new legal courses to renew my license on active status in October 2005?

- No. You may, but are not required to, take the legal courses for your first renewal after the effective date. You will need to take the new legal courses anytime thereafter to renew your license on active status.

My license is inactive. I plan on returning my license to active status in February 2005. Will I need to take the new legal courses?

- If you have not completed your legal MCE requirements by January 1, 2005, you will need to take the new legal courses to return to active status.

I have an active two-year license that expires on October 31, 2005. I plan on renewing inactive. When I decide to return my license to active status, will I need to take the new legal courses?

- It depends. If you wish to return to active status after September 1, 2006, you will need to take the new legal courses as no other legal courses will be available. If you wish to return to active status prior to September 1, 2006, you may, but are not required to, take the new legal courses.

Assume for purposes of this question that the date is August 2005. I had an active two-year salesperson license that expires on April 30, 2006. My broker terminated me in June 2005, which made my license inactive. I found another broker to sponsor me, but when I sent my sponsorship form to TREC, I received a letter indicating that I needed to complete my MCE requirements. Do I need to take the new legal courses to return to active status?

- No. You may, but are not required to, take the legal courses to return to active status. Once you have an active license, the courses you take will count for your renewal in 2006. You will need to take the new legal courses anytime thereafter to renew or reactivate a license.

I will get my broker license in August 2005. Will I need to take the new legal courses to renew my license in August 2006?

- Yes.

I will apply for a late renewal of my salesperson license in February 2005. Will I need to take the new legal courses before I apply for my license?

- If you have not completed the legal MCE requirements by January 1, 2005, you will need to take the new legal courses before you apply for a late renewal of your license.

I am a broker. In 1991, I got the one-time exemption from continuing education requirements under section 1101.456 of the Occupations Code. Do I need to take the new legal courses?

No.

Enforcement Questions and Answers

These and other questions and answers may be found on TREC's web site at
<http://www.trec.state.tx.us>

FOR YOUR OWN GOOD... CHECK THE EXPIRATION DATE OF YOUR LICENSE

It is your responsibility to ensure that your license is renewed in a timely manner. Any education you might require must be completed before your license expiration date if you want to maintain an active real estate license, unless you pay an additional \$200 fee and complete your MCE within 60 days of the expiration date of your license.

Renewal forms are sent out to all licensees and may also be obtained on our web site. The Texas Real Estate Commission is not responsible for U.S. Postal Service delivery or knowing where to find you if you have moved and have not filed a change of address with our office. Failure to receive a renewal notice does not provide a valid excuse for not renewing your license.

Q. I own a home in one city in Texas, and I live in another city. I do not want to hire a real estate salesperson. My friend has volunteered to do it. Would it be against the law for her to market and sell my home?

A. Not if you signed a power of attorney authorizing your friend to be your "attorney-in-fact". Under the Texas Real Estate License Act, a person may conduct a real estate transaction if she is operating under a power of attorney. In addition, if you are not compensating your friend for selling your home, she would not need a license to help you sell it.

Q. May auctioneers auction real estate? Are they required to be licensed to do so, and if so, by whom?

A. Yes. Auctioneers who auction real estate are exempt from having to obtain a real estate license, if they are calling an auction in which real estate is auctioned. The auctioneer cannot perform any other acts of a real estate broker or salesperson. Auctioneers are required to have an auctioneer license issued by the Texas Department of Licensing and Regulation.

Q. I have been a licensed agent for over 35 years. Am I required to take mandatory continuing education (MCE) courses or am I grandfathered?

A. You are exempt from the requirement to take mandatory continuing education courses if you applied for and qualified for the one-time exemption from the MCE rule in 1991, the law has not changed since that time. It is too late to apply for this exemption now. However, we do encourage you to voluntarily take the new courses, particularly the newly required legal and ethics course.

Q. We are aware that TREC has recently changed to issuing only wallet-sized licenses. Are we still required to display current licenses in our office? If so, how do we display these wallet-sized licenses?

A. No, the requirement for a broker to post real estate licenses in the broker's main office or a branch office was repealed with amendments to the Real Estate License Act, effective September 1, 2003. Posting of licenses is no longer required.

Q. May a broker representing the seller tell a prospective buyer that a home has received a full price offer and is no longer on the market when in fact the home is still active on the market?

A. No. The provisions of the Texas Real Estate License Act and Rules prohibit a licensee from sharing the terms of one buyer's offer with another buyer making an offer, e.g., disclosing that another offer was at full price, and it prohibits dishonesty.

Q. Does TREC prohibit licensees from stating, either orally or in writing, the square footage of residential property?

A. No. TREC does not have a rule or statute prohibiting the calculation or disclosure of the square footage of residential property. However, a licensee should identify the source of the square footage, such as tax records or per the county appraisal district or appraisal, to avoid possible misrepresentation.

Q. I would like to read more about intermediary laws in Texas. Where may I find information on this issue?

A. The intermediary laws for Texas are found in the Texas Occupations Code which is available on our web site at www.trec.state.tx.us. Click on the Real Estate License Act link in the purple tab area for "Forms, Laws, Publications". You should specifically review §§1101.557 through 1101.561 of the Texas Occupations Code. There is also a document on our [FAQ's page](#) regarding intermediary practice and agency disclosure on the TREC website.

Q. I am a broker licensed in another state. I have a client who wants to purchase a home in Texas. May I represent her?

A. No. All negotiations physically conducted within Texas, or when the broker conducts brokerage business from another state by mail, telephone, internet, etc., and all prospective buyers and sellers are legal residents of Texas and the property is in Texas, the transaction must be handled by a Texas licensee. However, if you work with a Texas licensee to find a home for your client, the Texas licensee may share earned commissions with you.

Q. If I use the word "Realtor" must it appear in all capital letters or can it be written in lower-case letters?

A. Realtor® is a trademark of the National Association of Realtors®. You should consult with your local board of Realtors® or the national association about who may use it and its proper use.